

Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Hearing on the “Benefits of and Challenges to Energy Access in the 21st Century: Fuel
Supply and Infrastructure.”
March 6, 2014

(As Prepared for Delivery)

North America’s growing oil and natural gas abundance is easily the best energy news we’ve had in decades. The benefits for jobs, energy affordability, and national security are nothing less than staggering. In fact, a recent study by the Manhattan Institute finds that virtually all of America’s economic growth in recent years is attributable to the oil and gas sector, and that without it we would have remained in recession. And since the energy output is projected to continue rising, the good news could get even better in the years ahead – but only if we play our cards right.

But producing more energy is only part of the job. We also must get it to the businesses and homeowners that need it, and expanded energy output presents a very significant infrastructure challenge. But with challenge comes opportunity, and building this architecture of abundance will create many jobs. An energy infrastructure expansion is a win-win for America – more jobs building and running it, and more affordable and secure energy because of it. The problems we will discuss at this hearing are good kind of problems to have.

Nonetheless, the Obama administration has been more of a hindrance than a help, both on energy production and energy infrastructure. The administration has placed so many energy-rich federal lands off limits that a Congressional Research Service report found that all of the oil and gas increase is attributable to output from non-federal lands. And the administration has been just as unhelpful on energy infrastructure as it has been on energy production. At this promising juncture in the nation’s energy history, we need an administration that embraces the architecture of abundance. But instead, we often get Keystone-style delays and red tape.

Granted, each new pipeline project and other infrastructure upgrade raises legitimate safety and environmental concerns that must be addressed. But these concerns should not be used as an excuse for indefinite delays, as we have seen with Keystone XL. After all, new infrastructure increases safety.

Our inadequate energy infrastructure is already causing problems. This winter’s regional propane shortage throughout Michigan and much of the Midwest is a case in point. When the temperatures dropped and demand grew, there was not enough infrastructure to transport the propane to the customers who needed it. In the words of Secretary of Energy Ernest Moniz, “what we are seeing play out is also just one example of where our energy infrastructure isn’t quite ready for the task that we have today.” Michigan has the largest number of propane-heated households of any state. I take this warning very seriously and want to look at how this can be avoided in the future.

I am convinced that we can create a new energy infrastructure to safely deliver the affordable energy that businesses and families need. We welcome the task of creating this architecture of abundance, and Congress must take action to remove any impediments to further progress.

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